



# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate for April 2003 in the Magic Valley Labor Market Area was 4.3 percent. This is four-tenths of a percentage point higher than March 2002 and one-tenth of a percentage point higher than a year ago, according to Magic Valley Table 1. The *Civilian Labor Force* was 240 workers lower from March 2003 to April 2003, but was 2,690 greater year-over-year.

Most sectors showed marked increases from April 2002 to April 2003. *Nonfarm Payroll Jobs* increased 6.1 percent from 2002 to 2003. Many sectors showed double-digit increases year-over-year. The largest increases over the year were in *Educational & Health Services*, *Food Manufacturing*, and *Manufacturing* with increases of 22.0, 16.6, and 12.9 percent, respectively. The only sectors that showed decreases were *Government Education*, *Utilities*, and *Wholesale Trade* with decreases of 9.4, 4.8, and 0.5 percent, respectively.

Employment increases have been consistent among the sectors, which is positive with regard to diversification. The *Retail* sector, which had been showing some decline in the last four months is now starting to recover and with two new retailers opening in Twin Falls, the outlook for this sector is very good. The Magic Valley economy has not been immune to recessionary tendencies and some small businesses have closed in various sectors. However, these losses have been more than offset in job creation and, consequently, are not so apparent. Overall, the Magic Valley enjoys one of the more vibrant economies in Idaho. The reason for such growth is multi-faceted. Outstanding regional co-operation in economic development, excellent consumer confidence, and, with the exception of the 108 layoffs at Moore North American, no major layoffs that can cause severe blows to an economy have taken place. The Mini-Cassia economy has severe problems with many

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding Counties

|  | April<br>2003* | March<br>2003 | April<br>2002 | % Change From |              |
|--|----------------|---------------|---------------|---------------|--------------|
|  |                |               |               | Last<br>Month | Last<br>Year |
| <b>INDIVIDUALS BY PLACE OF RESIDENCE</b> |                |               |               |               |              |
| <b>Seasonally Adjusted</b>               |                |               |               |               |              |
| Civilian Labor Force                     | 53,760         | 54,000        | 51,070        | -0.4          | 5.3          |
| Unemployment                             | 2,290          | 2,100         | 2,140         | 9.0           | 7.0          |
| % of Labor Force Unemployed              | 4.3            | 3.9           | 4.2           |               |              |
| Total Employment                         | 51,470         | 51,900        | 48,930        | -0.8          | 5.2          |
| <b>Unadjusted</b>                        |                |               |               |               |              |
| Civilian Labor Force                     | 53,150         | 53,030        | 50,244        | 0.2           | 5.8          |
| Unemployment                             | 2,190          | 2,330         | 2,030         | -6.0          | 7.9          |
| % of Labor Force Unemployed              | 4.1            | 4.4           | 4.0           |               |              |
| Total Employment                         | 50,960         | 50,700        | 48,214        | 0.5           | 5.7          |
| <b>JOBS BY PLACE OF WORK</b>             |                |               |               |               |              |
| <b>Nonfarm Payroll Jobs**</b>            | 41,430         | 40,820        | 39,050        | 1.5           | 6.1          |
| <b>Goods-Providing Industries</b>        | 7,700          | 7,730         | 6,850         | -0.4          | 12.4         |
| Natural Resources & Mining               | 30             | 30            | 30            | 0.0           | 0.0          |
| Construction                             | 2,060          | 2,090         | 1,850         | -1.4          | 11.4         |
| Manufacturing                            | 5,610          | 5,610         | 4,970         | 0.0           | 12.9         |
| Food Manufacturing                       | 3,650          | 3,680         | 3,130         | -0.8          | 16.6         |
| Other Manufacturing                      | 1,960          | 1,930         | 1,840         | 1.6           | 6.5          |
| <b>Service-Providing Industries</b>      | 33,730         | 33,090        | 32,200        | 1.9           | 4.8          |
| Trade, Transportation & Utilities        | 10,100         | 9,850         | 9,720         | 2.5           | 3.9          |
| Wholesale Trade                          | 1,810          | 1,820         | 1,820         | -0.5          | -0.5         |
| Retail Trade                             | 5,890          | 5,810         | 5,720         | 1.4           | 3.0          |
| Utilities                                | 200            | 180           | 210           | 11.1          | -4.8         |
| Transportation & Warehousing             | 2,200          | 2,040         | 1,970         | 7.8           | 11.7         |
| Information                              | 500            | 490           | 500           | 2.0           | 0.0          |
| Financial Activities                     | 1,770          | 1,700         | 1,600         | 4.1           | 10.6         |
| Professional & Business Services         | 5,120          | 5,020         | 4,700         | 2.0           | 8.9          |
| Educational & Health Services            | 3,600          | 3,560         | 2,950         | 1.1           | 22.0         |
| Leisure & Hospitality                    | 3,450          | 3,340         | 3,440         | 3.3           | 0.3          |
| Other Services                           | 1,430          | 1,430         | 1,380         | 0.0           | 3.6          |
| Government Education                     | 3,580          | 3,560         | 3,950         | 0.6           | -9.4         |
| Government Administration                | 4,180          | 4,140         | 3,960         | 1.0           | 5.6          |

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

layoffs that have actually occurred or are pending, yet the economy has not collapsed, which is a tribute to the resiliency of the people and their willingness to buy products locally. Unfortunately, with additional layoffs looming, the bottom of the business cycle has not been reached in that area.

## AREA DEVELOPMENTS

### Twin Falls County

- Two new major retailers have signed agreements to open in Twin Falls in either 2003 or 2004. Best Buy has leased an existing 24,000-square-foot retail space in the Canyon Park project. Best Buy will open as soon as tenant improvements can be made. It will employ between 50 and 100 full- and part-time workers. Sportsmen's Warehouse will build a 45,000-square-foot free-standing facility on the far eastern edge of the Canyon Project. The company plans to begin hiring in late July or early

August with an opening projected for Labor Day weekend. It expects to employ approximately 65 full- and part-time employees.

- Allison Mills, Inc., a Filer-based warehouse that bought and sold dairy feedstuffs, closed in May. Citing low milk prices, the company filed a voluntary Chapter 7 (liquidation) bankruptcy. This closure displaced approximately ten workers.
- The New Business Plus III program has met its first year goal of \$1.43 million. Business Plus III is a team of economic development groups and local businesses from six counties working together to help recruit new businesses and encourage business expansion in a six-county area of South Central Idaho. This program is an extension and enhancement of the former Business Plus II program sponsored by the Twin Falls Chamber of Commerce. Of the funding, \$1 million will be used for business attraction and business expansion, \$250,000 for regional marketing by the Southern Idaho Economic Development Organization, and \$40,000 for operation and overhead expense. The current list of investors includes 56 from Twin Falls and nine from the Mini-Cassia area representing the regional cooperation of this effort. Business Plus III's goal is to bring 2,000 more jobs in technology, manufacturing, business services, agriculture, food processing, transportation and distribution to Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls Counties.

#### **Blaine, Camas, Gooding, and Jerome Counties**

- Moore Corporation, Limited (also called Moore Business Forms) announced its intentions to close its Jerome plant, permanently displacing 108 workers. Moore recently completed a merger with Wallace Computer Services, Inc. The merger created an overproduction problem, according to company officials, resulting in the plant's closure. The closure is to take place in mid-July, and the company will supply severance packages to some of the workers, although who will be compensated and by how much has not been determined.
- Rite Stuff Foods, Inc. will move its corporate headquarters from Downey, California, to Jerome. The company expects its 1,500-square-foot remodel to be completed soon and will hire an additional three or four people for its headquarters staff. Rite Stuff, which makes specialty frozen products such as twice-baked potatoes and potato skins, started production in Jerome in May 1999. The plant now employs nearly 100 people.
- The Walker Center in Gooding held the grand opening of its new facility in Gooding in late May. The new facility is 43,000-square feet, and has 32 beds for adults and 16 beds for adolescents. The facility employs 40-50 people. Part of the financing was provided by a Community Development Block

Grant originated by Region IV Development Association, which was approved by Governor Dirk Kempthorne through the Idaho Department of Commerce.

- POWER Engineers of Hailey and Boise will assist Perini Corporation to rebuild facilities in the U.S. Central Command's area of operations overseas. Perini is one of three firms awarded contracts by the Army Corps of Engineers, Transatlantic Programs Center. Under a separate Corps contract, POWER will also support Perini Corporation on various design-build facilities for the graduating battalions of the Afghanistan National Army in Afghanistan.
- Warm weather, terrorism fears, and a lackluster economy combined to make this a below-average ski season at Sun Valley. Skier numbers were 367,631 in 2002-2003 as compared to 405,700 in 2001-2002. Local option taxes (LOTs) were down significantly. In March, lodging receipts were down 20 percent, liquor-related receipts fell 12 percent, and retail receipts were also down 12 percent. This totaled a 17 percent drop in LOTs for March. Extremely warm weather in January hurt skiing, although the early season snowfall was excellent. Impending war with Iraq and corresponding terrorism fears also slowed tourism in March.

#### **Minidoka and Cassia Counties**

- Voters in the City of Burley approved two sewer bond issues that will ultimately result in doubling the existing sewer capacity in the city. The bonds passed by 87 percent and 79 percent, respectively. The first bond was an \$18 million mandate to place the city in compliance with U.S. Environmental Protection Agency (EPA) standards, as the city was not in compliance and faced EPA fines. This bond required only a simple majority. The second bond of \$7 million will double the capacity of the city sewer to five million gallons. This bond required a two-thirds super majority. The passage of these bonds will immediately create approximately 100 construction jobs that will be a boon to the local economy. The contractor has pledged to use local businesses in subcontracting roles. In addition, the area will gain the sewer and wastewater treatment capacity it has been lacking, which has inhibited many economic development efforts. The sewer system improvements will provide local economic developers with the infrastructure to accompany the excellent local labor force in efforts to attract new and viable businesses to the area.

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